

CONSOLIDATED PENSION TRUST
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2006

	August-06					July-06					Current FYTD		Prior Year FY06		3 Years Ended	5 Years Ended
	Allocation		Returns-Month			Allocation		Returns-Month			Returns		Returns		6/30/2006	6/30/2006
	Market Value	Actual	Policy(1)	Gross	Net	Market Value	Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
LA Capital	146,279,328	4.1%	4.3%	2.16%	2.14%	143,278,078	4.1%	4.3%	-3.47%	-3.49%	-1.39%	-1.42%	12.12%	11.88%	N/A	N/A
Total Structured Growth	146,279,328	4.1%	4.3%	2.16%	2.14%	143,278,078	4.1%	4.3%	-3.47%	-3.49%	-1.39%	-1.42%	12.12%	11.88%	12.99%	0.19%
Russell 1000 Growth				3.12%	3.12%				-1.90%	-1.90%	1.16%	1.16%	6.12%	6.12%	8.34%	-0.77%
<i>Structured Value</i>																
LSV	157,076,826	4.4%	4.3%	0.88%	0.85%	155,863,013	4.5%	4.3%	1.83%	1.80%	2.73%	2.66%	16.39%	15.93%	21.06%	12.29%
Russell 1000 Value				1.67%	1.67%				2.43%	2.43%	4.14%	4.14%	12.10%	12.10%	15.70%	6.89%
<i>Enhanced Russell 1000 Index</i>																
LA Capital	190,270,463	5.4%	5.5%	1.75%	1.73%	187,111,657	5.4%	5.5%	-1.11%	-1.13%	0.61%	0.58%	12.74%	12.49%	12.73%	3.75%
Russell 1000				2.40%	2.40%				0.22%	0.22%	2.62%	2.62%	9.08%	9.08%	12.05%	3.12%
<i>Enhanced S&P 500 Index</i>																
Northern Trust	197,640,705	5.6%	5.5%	2.53%	2.52%	192,757,104	5.5%	5.5%	0.85%	0.84%	3.40%	3.39%	9.43%	9.33%	11.32%	2.81%
Westridge	205,764,408	5.8%	4.3%	2.43%	2.41%	201,010,737	5.8%	4.3%	0.67%	0.65%	3.12%	3.07%	9.10%	8.80%	11.46%	2.80%
Wells Capital	97,366,192	2.7%	2.9%	0.55%	0.49%	95,944,297	2.7%	2.9%	-0.96%	-1.02%	-0.42%	-0.53%	N/A	N/A	N/A	N/A
Total Enhanced S&P 500 Index	500,771,305	14.1%	12.7%	2.10%	2.08%	489,712,138	14.0%	12.7%	0.42%	0.40%	2.53%	2.48%	8.77%	8.58%	11.40%	2.76%
S&P 500				2.38%	2.38%				0.62%	0.62%	3.01%	3.01%	8.63%	8.63%	11.22%	2.49%
<i>S&P 500 Index</i>																
State Street	65,380,936	1.8%	2.0%	2.07%	2.07%	64,057,821	1.8%	2.0%	0.86%	0.86%	2.95%	2.94%	9.65%	9.62%	11.55%	2.70%
S&P 500				2.38%	2.38%				0.62%	0.62%	3.01%	3.01%	8.63%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	1,059,778,858	29.9%	28.9%	1.86%	1.84%	1,040,022,707	29.8%	28.9%	-0.18%	-0.20%	1.68%	1.63%	11.16%	10.93%	13.21%	3.86%
S&P 500				2.38%	2.38%				0.62%	0.62%	3.01%	3.01%	8.63%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	236,473,105	6.7%	7.1%	2.40%	2.34%	231,250,585	6.6%	7.1%	-3.49%	-3.55%	-1.17%	-1.30%	14.39%	13.56%	18.31%	8.00%
Russell 2000 + 200bp (annually)				3.13%	3.13%				-3.09%	-3.09%	-0.06%	-0.06%	16.86%	16.86%	21.06%	10.71%
Callan	91,910,478	2.6%	2.8%	2.46%	2.42%	89,737,541	2.6%	2.8%	-4.10%	-4.14%	-1.74%	-1.82%	N/A	N/A	N/A	N/A
Russell 2000				2.96%	2.96%				-3.25%	-3.25%	-0.39%	-0.39%				
TOTAL SMALL CAP DOMESTIC EQUITY	328,383,583	9.3%	9.9%	2.42%	2.34%	320,988,126	9.2%	9.9%	-3.66%	-3.55%	-1.33%	-1.30%	14.23%	13.40%	18.25%	7.97%
Russell 2000				2.96%	2.96%				-3.25%	-3.25%	-0.39%	-0.39%	14.58%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY																
<i>Large Cap - Core</i>																
State Street	49,979,812	1.4%	1.4%	2.75%	2.71%	48,642,723	1.4%	1.4%	1.11%	1.07%	3.89%	3.81%	28.48%	27.85%	20.61%	6.87%
MSCI EAFE (2)				2.75%	2.75%				0.99%	0.99%	3.77%	3.77%	26.56%	26.56%	20.76%	5.94%
<i>Large Cap - Active</i>																
Capital Guardian	148,629,191	4.2%	4.1%	3.49%	3.46%	143,700,941	4.1%	4.1%	0.85%	0.82%	4.37%	4.31%	28.45%	28.01%	21.32%	6.58%
LSV	144,635,973	4.1%	4.1%	2.97%	2.94%	140,656,249	4.0%	4.1%	1.17%	1.14%	4.17%	4.11%	28.27%	27.77%	N/A	N/A
Bank of Ireland	49,621,925	1.4%	1.4%	4.42%	4.37%	47,605,582	1.4%	1.4%	0.51%	0.46%	4.95%	4.85%	22.75%	22.00%	19.16%	N/A
Total Large Cap - Active	342,887,089	9.7%	9.7%	3.40%	3.37%	331,962,772	9.5%	9.7%	-0.94%	0.90%	4.37%	4.30%	27.62%	27.11%	21.84%	7.14%
MSCI EAFE - 50% Hedged				2.93%	2.93%				0.98%	0.98%	3.94%	3.94%	26.72%	26.72%	22.56%	6.89%
<i>Small Cap - Active</i>																
Lazard	47,155,537	1.3%	1.4%	3.20%	3.15%	45,852,832	1.3%	1.4%	-2.10%	-2.15%	1.03%	0.92%	25.84%	25.04%	29.34%	N/A
Wellington	47,204,261	1.3%	1.4%	2.40%	2.33%	46,215,861	1.3%	1.4%	0.30%	0.23%	2.71%	2.57%	24.33%	23.35%	25.26%	N/A
Total Small Cap - Active	94,359,798	2.7%	2.8%	2.80%	2.74%	92,068,693	2.6%	2.8%	-0.91%	-0.97%	1.86%	1.74%	25.07%	24.18%	27.28%	N/A
Citigroup Broad Market Index < \$2BN				2.90%	2.90%				-2.00%	-2.00%	0.84%	0.84%	29.21%	29.21%	32.38%	N/A
TOTAL INTERNATIONAL EQUITY	487,226,699	13.7%	13.8%	3.22%	3.18%	472,674,188	13.5%	13.8%	0.59%	0.55%	3.83%	3.74%	27.22%	26.61%	22.77%	8.74%
MSCI EAFE - 50% Hedged				2.93%	2.93%				0.98%	0.98%	3.94%	3.94%	26.72%	26.72%	22.56%	6.89%
EMERGING MARKETS EQUITY																
<i>Core</i>																
JP Morgan	31,550,961	0.9%	0.8%	3.69%	3.63%	30,556,104	0.9%	0.8%	1.81%	1.75%	5.57%	5.45%	N/A	N/A	N/A	N/A
PanAgora	27,082,293	0.8%	0.8%	2.30%	2.26%	26,472,525	0.8%	0.8%	2.21%	2.17%	4.56%	4.48%	N/A	N/A	N/A	N/A
WestLB	27,505,200	0.8%	0.0%	1.41%	1.37%	27,174,244	0.8%	0.0%	1.46%	1.42%	2.89%	2.82%	N/A	N/A	N/A	N/A
UBS	48,832,854	1.4%	1.4%	2.37%	2.30%	47,702,162	1.4%	1.4%	1.78%	1.71%	4.19%	4.05%	N/A	N/A	N/A	N/A
Total Core	134,971,308	3.8%	3.9%	2.46%	2.41%	131,905,035	3.8%	3.9%	1.81%	1.76%	4.32%	4.22%	36.32%	35.59%	32.44%	18.61%
MSCI Emerging Markets				2.60%	2.60%				1.50%	1.50%	4.13%	4.13%	35.91%	35.91%	22.39%	12.89%
<i>Small Cap</i>																
DFA	29,643,828	0.8%	0.9%	3.47%	3.39%	28,648,544	0.8%	0.9%	2.30%	2.22%	5.85%	5.69%	N/A	N/A	N/A	N/A
MSCI Emerging Markets				2.60%	2.60%				1.50%	1.50%	4.13%	4.13%				
TOTAL EMERGING MARKETS EQUITY	164,615,136	4.6%	4.8%	2.64%	2.59%	160,553,579	4.6%	4.8%	1.89%	1.84%	4.59%	4.48%	35.20%	34.40%	32.05%	18.40%
MSCI Emerging Markets				2.60%	2.60%				1.50%	1.50%	4.13%	4.13%	35.91%	35.91%	34.76%	21.54%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	77,433,511	2.2%	2.4%	1.75%	1.73%	76,075,541	2.2%	2.4%	1.58%	1.56%	3.36%	3.32%	-0.95%	-1.15%	2.65%	5.96%
Lehman Aggregate				1.53%	1.53%				1.35%	1.35%	2.90%	2.90%	-0.81%	-0.81%	2.05%	4.97%
<i>Index</i>																
Bank of ND	152,314,714	4.3%	4.2%	1.54%	1.54%	150,012,288	4.3%	4.2%	1.25%	1.25%	2.81%	2.80%	-1.31%	-1.37%	1.53%	5.24%
Total Index	152,314,714	4.3%	4.2%	1.54%	1.54%	150,012,288	4.3%	4.2%	1.25%	1.25%	2.81%	2.80%	-0.63%	-0.69%	2.10%	5.27%
Lehman Gov/Credit				1.58%	1.58%				1.30%	1.30%	2.90%	2.90%	-1.52%	-1.52%	1.60%	5.13%
<i>Convertibles</i>																
TCW	71,135,173	2.0%	2.4%	1.87%	1.83%	69,736,126	2.0%	2.4%	-0.50%	-0.54%	1.36%	1.29%	5.00%	4.54%	6.78%	1.15%
Merrill Lynch All Convertibles (3)				1.35%	1.35%				0.23%	0.23%	1.58%	1.58%	9.37%	9.37%	8.01%	4.94%

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	August-06						July-06						Current FYTD		Prior Year FY06		3 Years Ended	5 Years Ended
	Allocation		Returns-Month		Gross	Net	Allocation		Returns-Month		Gross	Net	Returns		Returns		6/30/2006 Net	6/30/2006 Net
	Market Value	Actual	Policy(1)				Market Value	Actual	Policy(1)				Gross	Net	Gross	Net		
BBB Average Quality																		
Wells Capital	76,163,148	2.1%	2.4%	1.97%	1.95%		74,714,705	2.1%	2.4%	1.54%	1.52%		3.54%	3.50%	-2.49%	-2.70%	3.36%	5.51%
Lehman US Credit BAA				2.02%	2.02%					1.58%	1.58%		3.63%	3.63%	-2.37%	-2.37%	2.39%	6.10%
Private Debt																		
Prudential	77,375,498	2.2%	2.4%	1.49%	1.47%		76,237,880	2.2%	2.4%	1.41%	1.39%		2.92%	2.89%	0.07%	-0.13%	N/A	N/A
Lehman Aggregate				1.53%	1.53%					1.35%	1.35%		2.90%	2.90%	-0.81%	-0.81%	N/A	N/A
Timberland																		
TIR - Teredo (4)	59,053,528	1.7%	1.7%	0.00%	-0.06%		59,053,528	1.7%	1.7%	0.00%	-0.06%		0.00%	-0.12%	-0.71%	-1.44%	7.62%	N/A
TIR - Springbank	123,707,029	3.5%	3.5%	-0.02%	-0.04%		123,729,855	3.5%	3.5%	0.00%	-0.03%		-0.02%	-0.07%	13.88%	13.53%	N/A	N/A
Total Timberland	182,760,557	5.2%	5.2%	-0.01%	-0.05%		182,783,383	5.2%	5.2%	0.00%	-0.04%		-0.01%	-0.09%	9.89%	9.43%	20.37%	N/A
NCREIF Timberland Index				1.15%	1.15%					1.15%	1.15%		2.31%	2.31%	19.69%	19.69%	13.94%	N/A
TOTAL DOMESTIC FIXED INCOME	637,182,601	18.0%	19.0%	1.20%	1.17%		629,559,923	18.0%	18.9%	0.75%	0.73%		1.96%	1.91%	3.41%	3.12%	8.91%	8.14%
Lehman Aggregate				1.53%	1.53%					1.35%	1.35%		2.90%	2.90%	-0.81%	-0.81%	2.05%	4.97%
HIGH YIELD BONDS																		
Core																		
Loomis Sayles	103,720,127	2.9%	2.9%	1.93%	1.89%		101,998,243	2.9%	2.9%	1.56%	1.52%		3.52%	3.44%	5.26%	4.74%	N/A	N/A
Sutter/Wells Capital	102,874,062	2.9%	2.9%	1.16%	1.12%		102,217,389	2.9%	2.9%	0.96%	0.92%		2.13%	2.05%	5.22%	4.70%	N/A	N/A
Total Core	206,594,189	5.8%	5.8%	1.54%	1.50%		204,215,632	5.8%	5.8%	1.26%	1.22%		2.82%	2.74%	5.24%	4.72%	5.70%	3.38%
LB High Yield 2% Issuer Contstrained Index				1.48%	1.48%					0.86%	0.86%		2.35%	2.35%	4.38%	4.38%	N/A	N/A
Mezzanine Debt																		
Goldman Sachs	998,963	0.0%	0.0%	0.00%	0.00%		998,963	0.0%	0.0%	0.00%	0.00%		0.00%	0.00%	N/A	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	207,593,152	5.9%	5.9%	1.54%	1.50%		205,214,595	5.9%	5.9%	1.25%	1.21%		2.81%	2.73%	5.24%	4.72%	8.34%	7.47%
LB High Yield 2% Issuer Contstrained Index				1.48%	1.48%					0.86%	0.86%		2.35%	2.35%	4.38%	4.38%	8.48%	8.60%
INTERNATIONAL FIXED INCOME																		
International Sovereign																		
UBS Global	88,368,713	2.5%	2.5%	0.08%	0.05%		88,300,980	2.5%	2.5%	0.46%	0.43%		0.54%	0.48%	0.47%	0.13%	5.24%	9.99%
Citigroup Non-US Gov't Bond Index				0.79%	0.79%					0.69%	0.69%		1.49%	1.49%	-0.11%	-0.11%	5.01%	9.58%
International Core																		
Brandywine	90,238,834	2.5%	2.5%	0.74%	0.70%		89,685,298	2.6%	2.5%	1.56%	1.52%		2.31%	2.24%	4.33%	3.89%	8.39%	N/A
Lehman Global Aggregate (ex-US)				0.92%	0.92%					0.77%	0.77%		1.70%	1.70%	3.83%	3.83%	5.69%	N/A
TOTAL INTERNATIONAL FIXED INCOME	178,607,547	5.0%	5.1%	0.41%	0.38%		177,986,278	5.1%	5.1%	1.01%	0.98%		1.43%	1.36%	2.39%	2.01%	6.82%	10.91%
Citigroup Non-US Gov't Bond Index				0.79%	0.79%					0.69%	0.69%		1.49%	1.49%	0.00%	0.00%	5.05%	9.60%
REAL ESTATE																		
INVESCO	133,368,373			0.04%	0.00%		135,096,694			0.04%	0.00%		0.08%	0.00%	24.41%	23.84%	17.33%	12.38%
J.P. Morgan Strategic & Special Funds	136,200,359			1.67%	1.59%		134,068,775			1.39%	1.31%		3.08%	2.92%	22.25%	21.05%	17.14%	12.52%
J.P. Morgan Alternative Property Fund	30,257,549			0.08%	0.00%		30,257,549			0.08%	0.00%		0.16%	0.00%	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	299,826,281	8.5%	6.9%	0.77%	0.71%		299,423,018	8.6%	6.9%	0.66%	0.59%		1.44%	1.31%	22.98%	22.09%	17.09%	12.36%
NCREIF Total Index				1.32%	1.32%					1.32%	1.32%		2.66%	2.66%	18.22%	18.22%	15.63%	12.19%
ALTERNATIVE INVESTMENTS																		
Brinson IVCF III	615,942			0.00%	0.00%		615,942			0.00%	0.00%		0.00%	0.00%	29.82%	26.32%	19.53%	18.00%
Brinson IVCF II	60,623			0.00%	0.00%		60,623			0.00%	0.00%		0.00%	0.00%	22.67%	22.67%	13.90%	-0.56%
Coral Partners II	100,201			0.00%	0.00%		100,201			0.00%	0.00%		0.00%	0.00%	3.74%	3.74%	6.19%	-9.24%
Coral Partners V	9,789,878			0.00%	0.00%		9,789,878			0.00%	0.00%		0.00%	0.00%	13.92%	8.74%	-15.32%	-24.06%
Coral Partners V - Supplemental	888,947			0.00%	0.00%		888,947			0.00%	0.00%		0.00%	0.00%	14.63%	10.53%	10.33%	N/A
Coral Partners VI	13,788,305			0.00%	0.00%		13,788,305			0.00%	0.00%		0.00%	0.00%	-0.91%	-6.22%	-10.14%	N/A
Brinson 1998 Partnership Fund	2,626,846			0.00%	0.00%		2,626,846			0.00%	0.00%		0.00%	0.00%	17.83%	16.52%	15.11%	1.97%
Brinson 1999 Partnership Fund	4,691,761			0.00%	0.00%		4,691,761			0.00%	0.00%		0.00%	0.00%	15.56%	14.27%	12.72%	-1.26%
Brinson 2000 Partnership Fund	11,240,549			0.00%	0.00%		13,877,749			0.00%	0.00%		0.00%	0.00%	29.66%	28.22%	17.90%	3.70%
Brinson 2001 Partnership Fund	7,867,731			0.00%	0.00%		7,867,731			0.00%	0.00%		0.00%	0.00%	21.20%	19.85%	9.95%	3.22%
Brinson 2002 Partnership Fund	4,732,587			0.00%	0.00%		5,301,135			0.00%	0.00%		0.00%	0.00%	33.89%	32.42%	13.22%	N/A
Brinson 2003 Partnership Fund	1,284,387			0.00%	0.00%		1,284,387			0.00%	0.00%		0.00%	0.00%	26.88%	25.48%	6.77%	N/A
Brinson 1999 Non-US Partnership Fund	1,920,189			0.00%	0.00%		2,400,859			0.00%	0.00%		0.00%	0.00%	41.81%	40.48%	30.98%	18.60%
Brinson 2000 Non-US Partnership Fund	3,360,649			0.00%	0.00%		2,715,123			0.00%	0.00%		0.00%	0.00%	36.31%	35.03%	21.65%	13.01%
Brinson 2001 Non-US Partnership Fund	4,228,084			0.00%	0.00%		3,941,502			0.00%	0.00%		0.00%	0.00%	28.46%	27.25%	17.46%	8.96%
Brinson 2002 Non-US Partnership Fund	5,679,824			0.00%	0.00%		5,482,532			0.00%	0.00%		0.00%	0.00%	39.42%	38.11%	22.66%	N/A
Brinson 2003 Non-US Partnership Fund	4,619,677			0.00%	0.00%		3,152,425			0.00%	0.00%		0.00%	0.00%	32.32%	31.08%	8.89%	N/A
Brinson 2004 Non-US Partnership Fund	1,363,209			0.00%	0.00%		1,373,790			0.00%	0.00%		0.00%	0.00%	25.74%	24.56%	N/A	N/A
Brinson BVCF IV	19,062,506			0.00%	0.00%		17,448,455			0.00%	0.00%		0.00%	0.00%	33.38%	31.35%	19.07%	0.41%
Matlin Patterson Global Opportunities	13,181,290			0.00%	0.00%		13,951,938			0.00%	0.00%		0.00%	0.00%	-10.83%	-11.68%	26.48%	N/A
Matlin Patterson Global Opportunities II	24,243,649			0.00%	0.00%		24,072,143			0.00%	0.00%		0.00%	0.00%	3.02%	-0.85%	N/A	N/A
InvestAmerica	4,206,694			0.00%	0.00%		4,206,694			0.00%	0.00%		0.00%	0.00%	8.91%	0.00%	-9.20%	N/A
Hearstone MSII	750,887			0.00%	0.00%		1			0.00%	0.00%		0.00%	0.00%	-14.40%	-100.00%	-100.00%	N/A
Hearstone MSIII	3,809,739			0.00%	0.00%		3,809,739			0.00%	0.00%		0.00%	0.00%	154.85%	59.61%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (5)	144,114,154	4.1%	4.8%	0.00%	0.00%		143,448,706	4.1%	4.8%	0.00%	0.00%		0.00%	0.00%	21.20%	14.57%	11.40%	-2.59%
CASH EQUIVALENTS																		
Northern Trust STIF/STEP	37,300,972	1.1%	1.0%	0.48%	0.46%		43,935,598	1.3%	1.0%	0.32%	0.30%		0.79%	0.76%	4.52%	4.31%	2.64%	2.41%
90 Day T-Bill				0.44%	0.44%					0.42%	0.42%		0.87%	0.87%	4.00%	4.00%	2.37%	2.25%
TOTAL PENSION TRUST	3,544,628,983	100.0%	100.0%	1.73%	1.70%		3,493,806,718	100.0%	100.0%	0.08%	0.07%		1.82%	1.76%	13.86%	13.18%	14.88%	7.75%
POLICY TARGET BENCHMARK				2.02%	2.02%					0.50%	0.50%		2.53%	2.53%	11.67%	11.67%	13.14%	6.78%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Pension Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.

(4) Prior to June 1, 2006, the Tored properties were under the management of RMK.

(5) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.